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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

Chapter 11

15 JOHN CORP.,

Case No. 16-12453 (MEW)

Debtor.

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**OBJECTION OF KURT ROEDIGER, ON BEHALF OF HIMSELF AND
THE CLASS, TO APPROVAL OF DEBTOR'S FIRST AMENDED
DISCLOSURE STATEMENT**

Kurt Roediger, on behalf of himself and the class members in the action entitled *Murphy v. Lajaunie et al.* (Index No. 13-cv-06503) (together, “Class 8”), pending before Judge Sullivan in the District Court for the Southern District of New York, by and through their counsel, Morrison Tenenbaum PLLC, respectfully submits this objection to approval of the First Amended Disclosure Statement (the “Disclosure Statement”) filed by 15 John Corp. (the “Debtor”). For the reasons set forth below, the Disclosure Statement is deficient, and does not meet the “adequate information” standard set forth in 11 U.S.C. § 1125(a).

OBJECTIONS

a. Debtor has not Provided Information Requested by the Court

1. On June 12, 2017, the Court entered an Order Requiring Modifications and Further Procedures with Respect to First Amended Disclosure Statement. Class 8 agrees with the rulings and direction from the Court and requests that all changes set forth therein be made to the Disclosure Statement

b. Disclosure Statement Omits Key Information Regarding Secured Creditors

2. The Debtor, throughout this bankruptcy case, has failed to provide sufficient information regarding its creditors. This pattern continues in the Disclosure Statement.

3. Classes 1 through 3 consist of the secured claims of TD Bank, N.A., American Express Bank, FSB, and Rewards Network Establishment Services Inc., respectively (together, the “Secured Creditors”). Under the Plan, the Debtor proposes to pay all secured creditors in full over time. However, pursuant to the Debtor’s liquidation analysis, the collateral with respect to such claims aggregates \$110,000.

4. Pursuant to section 506(a)(1) of the Bankruptcy Code, the secured portion of the claims of the Secured Creditors should be limited to the value of their collateral, with the balance included in the class of general unsecured creditors.

5. The Disclosure Statement should be amended to state why the Debtor believes the Secured Creditors are fully secured, or alternatively, to state that the treatment provided does not comply with the requirements of the Bankruptcy Code.

c. Liquidation Analysis is Inadequate

6. The Disclosure Statement also must be revised to include information concerning the sale of the Debtor’s business as a going concern. The Debtor places its liquidation value at only \$110,000 yet projects profits exceeding \$1 million over the next three year time period. Further information needs to be provided to creditors concerning the going concern value of the business so they can determine whether they would do better through a sale as compared to the minimal payments proposed under the Plan.

d. Plan Contains Improper Third Party Release

7. The Disclosure Statement should also be rejected because the Debtor improperly attempts to release the individual liability that the Debtor’s principal has to creditors.

Lajaunie will retain his equity interest in the Debtor, in exchange for a minimal contribution.

There is no basis for a third party release in this case.

WHEREFORE, Kurt Roediger, on behalf of himself and the class, respectfully requests that the Court deny approval of the Disclosure Statement in its entirety and grant such other further and different relief as is just, proper and equitable.

Dated: New York, New York

June 13, 2017

MORRISON TENEBAUM PLLC

By: /s/ Lawrence F. Morrison

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